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RECEIVED
MAR 26 1992
HUB LAW OFFICES

8 Attorneys for Plaintiff
9 CHURCH OF SCIENTOLOGY INTERNATIONAL

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 FOR THE COUNTY OF MARIN

12 CHURCH OF SCIENTOLOGY OF	)	Case No. 152 229
INTERNATIONAL, a California not-)	
13 for-profit religious corporation;	)	DECLARATION OF LAURIE J.
	)	BARTILSON IN SUPPORT OF
14	)	APPLICATION FOR ORDER TO
	)	SHOW CAUSE WHY GERALD
15 Plaintiff,	)	ARMSTRONG AND FORD GREENE
	)	SHOULD NOT BE HELD IN
16	)	CONTEMPT OF COURT
17 vs.)	
	)	[C.C.P. § 1209(a)(5)]
18 GERALD ARMSTRONG and DOES 1	)	DATE: March __, 1992
through 25, inclusive,	)	TIME: To be determined
19	)	DEPT: 4
)	
20	)	No trial date
21 Defendants.)	

22 I, LAURIE J. BARTILSON, hereby declare:
23
24 1. I am an attorney duly licensed to practice law in the
25 State of California, and I am a member of the firm of Bowles &
26 Moxon, one of plaintiff's counsel of record in this action. As
27 such, I have personal knowledge of the facts set forth below, and
28 if called upon to do so, I could and would competently testify

1 thereto.

2 2. I was present when, on March 3, 1992, this Court heard
3 oral argument concerning defendant Gerald Armstrong's ex parte
4 application for a continuance of plaintiff's motion for
5 preliminary injunction, which was then set for hearing on March
6 6, 1992. At the March 3 hearing, the Court ordered that the
7 hearing on the preliminary injunction motion should be continued,
8 but also ordered that a temporary restraining order should issue,
9 granting plaintiff temporarily the relief requested in its motion
10 for preliminary injunction until the new hearing date, March 20,
11 1992. Both Armstrong and his attorney, Ford Greene, were present
12 in the courtroom at the March 3, 1992 hearing. A true and correct
13 copy of the transcript of proceedings of that date is attached
14 hereto as Exhibit A.

15 3. A draft Temporary Restraining Order was prepared by my
16 co-counsel, Andrew Wilson, and me. On March 4, 1992, Mr. Wilson
17 faxed a copy of the proposed Temporary Restraining Order to Mr.
18 Greene's office and hand-delivered it to the Court. A true and
19 correct copy of the proposed Temporary Restraining Order is
20 attached hereto as Exhibit B.

21 4. On March 4, 1992, Mr. Greene acknowledged receipt of
22 the proposed Temporary Restraining Order, and informed Mr. Wilson
23 and me that he had hand-delivered his objections to it to the
24 Court. A true and correct copy of Mr. Greene's letter detailing
25 his objections is attached hereto as Exhibit C.

26 5. On March 5, 1992, this Court signed the Temporary
27 Restraining Order which plaintiff had proposed, making only a
28 slight change in paragraph 1 of the Order which is not material

1 to the instant application. A true and correct copy of the
2 signed, filed and entered Temporary Restraining Order is attached
3 hereto as Exhibit D.

4 6. I am informed that as soon as a signed copy of the TRO
5 was received by Mr. Wilson from the Court, Mr. Wilson served the
6 TRO on Mr. Greene's office by mail. Mr. Wilson so declares in
7 paragraph 6 of his accompanying declaration.

8 7. Mr. Greene represented to this Court on March 3, 1992,
9 that Mr. Armstrong is employed as a paralegal in his office.

10 8. I was also present at the oral argument before this
11 Court on March 20, 1992. On that date, the Court granted
12 defendant's motion to transfer the case to Los Angeles Superior
13 Court, but did so only after ordering that the existing TRO
14 remain in full force and effect for another 45 days. Both Mr.
15 Armstrong and Mr. Greene were present in the courtroom when the
16 Court issued that order.

17 9. Paragraphs (1) and (2) of the TRO provide in relevant
18 part that:

19 1. . . . Defendant Gerald Armstrong ("Armstrong"
20 or "Defendant"), [and] his agents are hereby
21 temporarily enjoined from violation of that certain
22 settlement Agreement ("Agreement") dated December 6,
23 1986, including the following:

24 2. Armstrong is restrained from violating
25 Paragraph 7(d) which prohibits Armstrong from . . .
26 disclosing his experiences with Scientology, and any
27 knowledge or information he may have concerning the
28 Church of Scientology, [or] L. Ron Hubbard. . . .

1 10. Paragraph 7(d) of the Agreement, which is incorporated
2 by reference in the TRO, provides in relevant part,

3 [Armstrong] agrees never to . . . grant interviews
4 or discuss with others, concerning [his] experiences
5 with the Church of Scientology, or concerning [his]
6 personal or indirectly acquired knowledge or
7 information concerning the Church of Scientology, [or]
8 L. Ron Hubbard. . . . [Armstrong] further agrees that
9 he will maintain strict confidentiality and silence
10 with respect to his experiences with the Church of
11 Scientology and any knowledge or information he may
12 have concerning the Church of Scientology [or] L. Ron
13 Hubbard. . . .

14 A true and correct copy of the Settlement Agreement is attached
15 hereto as Exhibit E.

16 11. On March 20, 1992, upon the conclusion of the hearing
17 before this Court, Mr. Armstrong immediately violated the TRO. As
18 soon as the proceedings had adjourned, I observed Mr. Armstrong
19 and Mr. Greene speaking with reporters in the hallway of the
20 courthouse. The reporters included, inter alia, Don Nabb of the
21 Cable Network News ("CNN") and Alex Neill of the Marin
22 Independent Journal. I heard Mr. Armstrong tell those reporters
23 that he believed that he had the right to "respond" publicly to
24 charges which the Church had levied against him by violating the
25 provisions of the settlement agreement which is at issue in this
26 litigation.

27 12. On the evening of March 20, 1992, and continuing
28 thereafter on March 21, 1992, CNN periodically broadcast a

1 segment concerning this action and the proceedings of March 20,
2 1992. A true and correct transcription of that segment is
3 attached as Exhibit F.

4 13. CNN broadcast portions of an interview with Mr.
5 Armstrong in which he states: "I'm an expert in the
6 misrepresentations [L. Ron] Hubbard has made about himself from
7 the beginning of Dianetics until the day he died." Ex. F; Ex. G,
8 p. 1. Later in the CNN segment, Mr. Greene states, "It'll be
9 extremely damaging because Scientology has spent a whole ton of
10 dough, on keeping not only Gerry silent but a lot of other people
11 silent. And if Gerry's case unravels, it's the first domino, and
12 all the rest of them are going to unravel."

13 Ex. F, p. 3.

14 14. Mr. Armstrong's statements, broadcast by CNN, accuse
15 Mr. Hubbard of fraud, and are a direct violation of paragraph 2
16 of the TRO.

17 15. Mr. Greene is Mr. Armstrong's attorney, and therefore,
18 his agent. His statements amplify Mr. Armstrong's and reinforce
19 this violation of paragraph 2 of the TRO.

20 16. On March 21, 1992, a story appeared in the Marin County
21 Independent Journal titled, "Marin Judge Orders Scientology Suit
22 Moved." A true and correct copy of that article is attached
23 hereto as Exhibit G. In that article, Mr. Armstrong is quoted by
24 the reporter, Mr. Neill, as saying that "he initially abided by
25 the settlement provision that mandated he not speak about his
26 experiences in the church" but later deliberately decided to
27 breach that provision of the Agreement. Ex. G.

28 / / /

1 17. Mr. Armstrong's statements to Mr. Neill demonstrate
2 that Mr. Armstrong's violations of the Agreement and the TRO were
3 willful, deliberate and intentional.

4 18. Moreover, I am informed and believe that Mr. Nabb and
5 the other reporters were present at the Marin County Courthouse
6 on March 20, 1992 because they had been contacted by Mr. Greene,
7 acting on Mr. Armstrong's behalf, and invited by Mr. Greene to
8 cover the proceedings. This solicitation of press coverage on
9 Armstrong's behalf violates both the TRO and the Agreement.

10 I declare under penalty of perjury of the laws of the State
11 of California that the foregoing is true and correct.

12 Executed at Los Angeles, California, this 25th day of March,
13 1992.


LAURIE J. BARTILSON

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28

DEBORAH S. BARTUNEK, CSR #4822
POST OFFICE BOX E
HALL OF JUSTICE
SAN RAFAEL, CA 94903

TO: GRAHAM E. BERRY, ESQUIRE

CASE: CHURCH OF SCIENTOLOGY VS. GERALD ARMSTRONG

TAKEN ON: TUESDAY, MARCH 3, 1992

REPORTER: DEBORAH BARTUNEK

SS#091-46-6849

MARCH 5, 1992

ORIGINAL + ONE COPY OF PROCEEDINGS:

(22 PAGES @ \$1.50 PER PAGE)

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EXHIBIT_A

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF MARIN

HON. MICHAEL B. DUFFICY, JUDGE DEPARTMENT 4

---000---

CHURCH OF SCIENTOLOGY)
INTERNATIONAL, A CALIFORNIA)
NOT-FOR-PROFIT RELIGIOUS)
CORPORATION,)

PLAINTIFFS,)

VS.)

GERALD ARMSTRONG, ET AL.,)

DEFENDANTS.)

NO. 152229

REPORTER'S TRANSCRIPT OF PROCEEDINGS

TUESDAY, MARCH 3, 1992

REPORTED BY: DEBORAH S. BARTUNEK, CSR 4822

A-P-P-E-A-R-A-N-C-E-S

TUESDAY, MARCH 3, 1992

---000---

FOR THE PLAINTIFFS:

WILSON, RYAN, BLUM & CAMPILONGO
235 MONTGOMERY STREET, SUITE 450
SAN FRANCISCO, CALIFORNIA 94104
BY: ANDREW H. WILSON, ESQUIRE

BOWLES & MOXON
6255 SUNSET BOULEVARD, SUITE 2000
HOLLYWOOD, CALIFORNIA 90028
BY: LAURIE J. BARTILSON, ESQUIRE

FOR THE DEFENDANT GERALD ARMSTRONG:

FORD GREENE, ESQUIRE
711 SIR FRANCIS DRAKE BOULEVARD
SAN ANSELMO, CALIFORNIA 94960

FOR PETITIONER/INTERVENOR JOSEPH A. YANNY:

LEWIS, D'AMATO, BRISBOIS & BISGAARD
221 NORTH FIGUEROA STREET, SUITE 1200
LOS ANGELES, CALIFORNIA 90012
BY: GRAHAM E. BERRY, ESQUIRE

1 TUESDAY, MARCH 3, 1992

1:30 P.M.

2 ---000---

3 P-R-O-C-E-E-D-I-N-G-S

4 THE COURT: GOOD AFTERNOON. ALL RIGHT IN
5 THE MATTER OF CHURCH OF SCIENTOLOGY
6 INTERNATIONAL VERSUS GERALD ARMSTRONG, ET AL.
7 CASE NUMBER 152229.

8 STARTING WITH COUNSEL FOR PLAINTIFF,
9 COULD WE HAVE YOUR APPEARANCES FOR THE RECORD
10 PLEASE?

11 MR. WILSON: GOOD AFTERNOON, YOUR HONOR.
12 MY NAME IS ANDREW WILSON; WILSON, RYAN, BLUM &
13 CAMPILONGO, APPEARING ON BEHALF OF THE
14 PLAINTIFF.

15 AND SEATED TO MY LEFT IS --

16 MS. BARTILSON: LAURIE BARTILSON FROM
17 BOWLES & MOXON, ALSO FOR PLAINTIFF.

18 THE COURT: ALL RIGHT.

19 MR. GREENE: FORD GREENE APPEARING ON
20 BEHALF OF GERALD ARMSTRONG, THE DEFENDANT.

21 MR. BERRY: GRAHAM BERRY OF LEWIS,
22 D'AMATO, BRISBOIS & BISGAARD APPEARING ON BEHALF
23 OF THE PETITIONER AND PROPOSED INTERNEVER.

24 THE COURT: OKAY. I HAVE REVIEWED THE
25 PLEADINGS THAT HAVE BEEN FILED TO DATE; NEEDLESS
26 TO SAY IT'S MASSIVE.

27 I WANT TO INDICATE TO YOU
28 TENTATIVELY WHAT I PROPOSE DOING, THEN I'M GOING

1 TO -- I'M SURE THERE WILL BE SOME ARGUMENT.

2 DEFENDANT MR. ARMSTRONG IS ENTITLED
3 UNDER THE CODE, UNDER THE LOCAL RULES, TO ONE
4 CONTINUANCE OF THE HEARING ON THE -- FOR, I
5 THINK, PLAINTIFFS' APPLICATION FOR A PRELIMINARY
6 INJUNCTION.

7 I'M INCLINED TO, AFTER REVIEWING THE
8 PAPERS, TO GRANT PLAINTIFFS -- TO GRANT THE
9 REQUEST FOR THE CONTINUANCE, BUT TO GRANT
10 PLAINTIFFS' REQUEST FOR A TEMPORARY RESTRAINING
11 ORDER PENDING THE HEARING.

12 THE INTENT OF THE TEMPORARY
13 RESTRAINING ORDER IS SIMPLY TO PRESERVE THE
14 STATUS QUO, NOT TO ORDER ANYBODY TO DO -- TO DO
15 ANYTHING AFFIRMATIVELY, JUST TO FREEZE
16 EVERYTHING UNTIL WE HAVE A FULL HEARING.

17 SECONDLY, IN REGARD TO MR. YANNY'S
18 APPLICATION TO INTERVENE, I WANT TO SET THAT FOR
19 HEARING SO WE CAN HAVE A FULL HEARING ON THAT.
20 THE PEOPLE HAVE AN OPPORTUNITY TO FILE PAPERS IN
21 OPPOSITION, AND SO FORTH.

22 I WOULD BE INCLINED, THOUGH, TO --
23 TODAY TO GRANT A REQUEST TO FILE AN AMICUS
24 CURIAE BRIEF.

25 SO FOR THE SAKE OF ARGUMENT, THEN IF
26 HIS MOTION TO INTERVENE WERE TO BE DENIED, HE
27 WOULD AT LEAST HAVE AN OPPORTUNITY TO FILE WITH
28 THE COURT AN AMICUS BRIEF AND HAVE HIS POSITION

1 HEARD, WHICH WOULD APPEAR TO ME NOT TO PREJUDICE
2 THE PLAINTIFF OR DEFENDANT.

3 AND THEN I WOULD SET THE MATTER FOR
4 HEARING, SPECIALLY SET IT AT 9:00 IN THE MORNING
5 SO HE COULD HAVE AS MUCH TIME AS HE NEEDS, OR
6 SOME DATE AFTER MARCH 16TH WHEN I RETURN.

7 THE JURY TRIAL I'M IN RIGHT NOW WILL
8 STILL BE PROCEEDING, SO I WAS GOING TO SUGGEST A
9 DAY, EITHER THURSDAY OR FRIDAY OF THAT WEEK.

10 SO WITH THAT -- THOSE REMARKS IN
11 MIND, FIRST LET ME ASK THE PLAINTIFF:

12 WHAT'S YOUR POSITION AS FAR AS
13 TODAY'S HEARING AFTER HAVING HEARD WHAT I
14 INDICATED?

15 MR. WILSON: YOUR HONOR, WE WOULD HAVE
16 ABSOLUTELY NO PROBLEM WITH ANYTHING WITH YOUR
17 ORDER, PARTICULARLY. THAT'S ALL WE WANT. WE
18 JUST WANTED TO GET A HEARING. IF THE HEARING
19 WAS GOING TO BE PUT OFF, WE WANTED A T.R.O. TO
20 PRESERVE THE STATUS QUO.

21 WE THINK WE'RE ENTITLED TO IT FOR
22 THE SAME REASONS THAT WE SET FORTH IN THE
23 PRELIMINARY INJUNCTION PAPERS.

24 WITH SOME HESITANCY, I WOULD POINT
25 OUT THAT I DON'T BELIEVE THAT THE DEFENDANT IS
26 ENTITLED TO A CONTINUANCE UNDER 527, BECAUSE NO
27 T.R.O. WAS GRANTED. HE ONLY GOT THE -- THE
28 ORDER TO SHOW CAUSE. SO HE REALLY DOESN'T HAVE

1 AN ABSOLUTE RIGHT TO IT.

2 THAT'S THE ONLY COMMENT THAT I HAVE.

3 THE COURT: BUT AS A PRACTICAL MATTER,
4 I'M NOT GOING TO BE HERE ON FRIDAY. I'M
5 INVOLVED IN A JURY TRIAL, SO IT WOULDN'T BE
6 PRACTICAL.

7 MR. WILSON: YOUR HONOR, WE -- I THINK
8 YOUR SOLUTION IS A GREAT SOLUTION TO THE
9 PROBLEM. WE COMPLETELY AGREE WITH IT.

10 THE COURT: MR. GREENE.

11 MR. GREENE: I DON'T THINK IT'S A GREAT
12 SOLUTION.

13 FIRST OF ALL, WITH RESPECT TO THE
14 GRANTING OF A TEMPORARY RESTRAINING ORDER, IT
15 WOULD NOT PRESERVE THE STATUS QUO. WHAT IT
16 WOULD DO WOULD BE TO IN EFFECT BE MANDATORY, AND
17 COMPEL MR. ARMSTRONG TO ENGAGE IN CONDUCT THAT
18 HE'S NOT ENGAGING IN NOW.

19 I POINT OUT TO THE COURT THAT BASED
20 ON THE PLAINTIFF'S MOVING PAPERS, THE CONDUCT OF
21 WHICH THEY COMPLAIN COMMENCED, ACCORDING TO
22 THEIR PAPERS, IN JUNE OF 1991 ALMOST A YEAR
23 AGO.

24 AND SO, FOR THE PLAINTIFF TO COME
25 INTO COURT NOW, EIGHT MONTHS LATER, AND SAY,
26 WE'RE BEING IRREPARABLY HARMED, WE NEED A
27 TEMPORARY RESTRAINING ORDER, IS BELIED BY THE
28 DELAY THAT PLAINTIFF HAS ENGAGED IN IN SEEKING

1 THE RELIEF THAT THEY CLAIM THEY NEED.

2 THE COURT: SEE, NOW WE'RE STARTING TO
3 GET FAR AFIELD. THIS IS ALL SUBJECTS WE'RE
4 GOING TO ARGUE WHEN WE HEAR THE APPLICATION FOR
5 PRELIMINARY INJUNCTION. THE INTENT OF THE
6 TEMPORARY RESTRAINING ORDER IS SIMPLY TO FREEZE
7 EVERYTHING UNTIL BOTH SIDES HAVE THEIR
8 HEARINGS.

9 I DON'T WANT TO SPEND A LOT OF TIME
10 GOING INTO YOUR ARGUMENT, WHICH I'LL LISTEN TO
11 IN DETAIL AT THE NEXT HEARING.

12 MR. GREENE: PART OF THE PROBLEM ALSO,
13 YOUR HONOR, IS I'M NOT REALLY SURE WHAT THE
14 SPECIFIC PROVISIONS OF A TEMPORARY RESTRAINING
15 ORDER WOULD BE. I HAVE SERIOUS QUESTIONS ABOUT
16 HOW THOSE WOULD BE ENFORCED.

17 FOR EXAMPLE, GERALD ARMSTRONG IS MY
18 EMPLOYEE. HE WORKS IN MY OFFICE, AS YOU
19 PROBABLY NOTED FROM THEIR MOVING PAPERS.

20 WOULD THE ISSUANCE OF A TEMPORARY
21 RESTRAINING ORDER COMPEL HIM NOT TO WORK FOR
22 ME? I WOULD SUBMIT THAT THERE WOULD -- THAT IF
23 THE ORDERS ISSUE, AND ARMSTRONG DOES START
24 WORKING FOR ME, THAT THE PLAINTIFFS WILL BE IN
25 HERE ON SOME SORT OF A CONTEMPT CITATION OR SOME
26 OTHER EFFORT TO ENFORCE THE RESTRAINING ORDER.

27 THE COURT: WELL, WE'RE GOING TO GET TO
28 THE CONTENTED RESTRAINING ORDER IN JUST A

1 SECOND.

2 LET ME ASK COUNSEL FOR MR. YANNY'S
3 SIDE OF THE CASE, WHAT'S YOUR POSITION?

4 MR. BERRY: YOUR HONOR, THE TEMPORARY
5 RESTRAINING ORDER WOULD DO AN END RUN AROUND
6 JUDGE CADANA'S (PHONETIC) ORDER WHICH EXPRESSLY
7 ADMITS TO YANNY TO GATHER EVIDENCE FOR HIS
8 DEFENSE, AND SPECIFICALLY TO INTERVIEW WITNESSES
9 SUCH AS MR. ARMSTRONG.

10 FURTHERMORE, IT EXPRESSLY SUGGESTS
11 THAT THIS COURT HAS FOUND A LIKELIHOOD OF
12 SUCCESS ON THE MERITS.

13 THE COURT: NO, NO, I DIDN'T SAY THAT.

14 WHAT'S HAPPENED ON THIS CASE, WITH A
15 CHALLENGE IT WAS ASSIGNED TO ME FOR HEARING ON
16 FRIDAY. I'M NOT GOING TO BE HERE FRIDAY. I'M
17 INVOLVED IN THE FIFTH WEEK OF A MURDER TRIAL
18 THAT I'M GOING TO COMPLETE IN AN ORDERLY
19 MANNER.

20 I WANT TO GIVE ALL PARTIES IN THIS
21 CASE AS MUCH TIME AS THEY NEED TO ARGUE THIS
22 MATTER. IT'S NOT PRACTICAL TO ARGUE IT BEFORE
23 THE FRIDAY HEARING. UNDER THE LOCAL RULES
24 NORMALLY THERE WOULD SIMPLY BE, AFTER 2:00
25 O'CLOCK ON THURSDAY, AN INDICATED RULING.

26 I'M NOT GOING TO DO THAT. I'M GOING
27 TO GIVE ALL OF YOU A HEARING BEFORE I MAKE A
28 RULING. I'LL SPECIALLY SET IT THE WEEK OF THE

1 16TH WHEN I GET BACK.

2 AND TO GIVE MR. YANNY AN
3 OPPORTUNITY, I'M GOING TO HEAR HIS MOTION TO
4 INTERVENE AT THE TIME.

5 BUT I'M GOING TO SIGN TODAY AN ORDER
6 ALLOWING HIM TO FILE HIS AMICUS SO HIS POSITION
7 WILL BE SET FORTH PRIOR TO THAT HEARING.

8 MR. BERRY: AND WITH REGARD TO THAT,
9 SHOULD A COMPLAINT TO INTERVENE BE FILED PRIOR
10 TO THAT HEARING?

11 THE COURT: NO, BECAUSE I HAVEN'T RULED
12 ON THAT MOTION.

13 MR. WILSON: YOUR HONOR, WOULD YOU LIKE
14 ME TO ADDRESS THE DELAY ISSUE? I CAN ADDRESS --
15 I THINK I CAN, I THINK, SHOW WE HAVE NOT
16 DELAYED, AND ANY DELAYS IN HAVING THIS MATTER
17 HEARD WERE NOT OUR DOING. WE TRIED TO GET IT
18 HEARD BEFORE NOW.

19 THE FIRST THING THAT PLAINTIFF IN
20 THIS CASE HAS TRIED TO DO IS ENFORCE A
21 SETTLEMENT AGREEMENT IN LOS ANGELES COUNTY
22 SUPERIOR COURT IN AN ACTION IN WHICH IT WAS
23 ENTERED.

24 THE JUDGE THERE SAID THEY DIDN'T
25 HAVE JURISDICTION AFTER MR. ARMSTRONG GOT A
26 TOTAL CONTINUANCE OF 45 DAYS.

27 THEN WE CAME HERE. IT WAS SET OVER
28 30 DAYS AGO. MR. GREENE BECAME DISENCHANTED

1 WITH JUDGE STEPHENS AND FILED HIS CHALLENGE.

2 WE HAVE NOT DELAYED HERE. AND I
3 THINK THAT FOR MR. BERRY TO SAY THAT WE'RE
4 TRYING TO DO AN END RUN AROUND AN ORDER ENTERED
5 BY JUDGE CARDANA IS -- I'M AT A LOSS TO
6 UNDERSTAND HOW YOU CAN MAKE THAT STATEMENT.

7 I'VE GOT THE ORDER HERE. THE ORDER
8 DOES NOT SPECIFICALLY ALLOW WHAT MR. BERRY --

9 THE COURT: THOSE ARE JUST THE KIND OF
10 DETAILS WE CAN'T GET INTO TODAY.

11 MR. WILSON: I DIDN'T WANT THAT.

12 THE COURT: WHAT ARE YOU SEEKING? LET'S
13 BE CLEAR ON THIS, BECAUSE MR. GREENE CERTAINLY
14 HAS A POINT.

15 WHAT ARE YOU SEEKING IN THE
16 TEMPORARY RESTRAINING ORDER SPECIFICALLY?

17 MR. WILSON: WE ARE SEEKING THE SAME
18 ORDER AS FOR THE PRELIMINARY INJUNCTION WHICH
19 PROHIBITS MR. ARMSTRONG FROM VIOLATING THE
20 SETTLEMENT AGREEMENT IN SEVERAL RESPECTS:

21 ONE, DISCLOSING THE CONTENTS OF THE
22 SETTLEMENT AGREEMENT. THAT PROBABLY ISN'T A
23 PROBLEM BECAUSE IT UNFORTUNATELY HAS BECOME A
24 PUBLIC RECORD IN ANOTHER ACTION, SO ANYBODY WHO
25 WANTS TO SEE IT IS GOING TO GET IT.

26 SO WE'RE TALKING ABOUT THREE OTHER
27 PROVISIONS. A PROVISION WHICH PREVENTS MR.
28 ARMSTRONG FROM ACTIVELY AIDING PERSONS ENGAGED

1 IN LITIGATION ADVERSE TO THE CHURCH OF
2 SCIENTOLOGY, THAT'S ONE. THAT'S PROBABLY WHAT
3 MR. GREENE IS CONCERNED ABOUT.

4 I'LL MAKE THIS COMMENT.

5 OF COURSE, WE DO NOT SAY THAT MR.
6 ARMSTRONG CANNOT WORK FOR MR. GREENE. MR.
7 ARMSTRONG SHOULD NOT WORK ON CASES WHICH INVOLVE
8 THE CHURCH OF SCIENTOLOGY. THAT'S ALL WE'RE
9 SAYING.

10 NOW WE -- IF HE CONTINUES TO WORK
11 FOR MR. GREENE, WE BETTER HAVE SOME PRETTY
12 SPECIFIC PROOF THAT WHEN HE'S DOING THAT, HE'S
13 WORKING ON SCIENTOLOGY CASES.

14 I MEAN, I WOULD NOT BE SO FOOLISH AS
15 TO COME IN HERE ON A CONTEMPT MOTION UNLESS I
16 HAD CLEAR, CONVINCING EVIDENCE THAT MR.
17 ARMSTRONG, IN WORKING FOR MR. GREENE, WAS
18 VIOLATING THAT PROVISION OF THE ORDER.

19 THE OTHER PROVISIONS RELATE TO
20 CONFIDENTIALITY, AND MR. ARMSTRONG'S DISCLOSURE
21 OF EXPERIENCES THAT HE HAD WHILE HE WAS A MEMBER
22 OF THE CHURCH OF SCIENTOLOGY, AND CERTAIN
23 KNOWLEDGE THAT MR. ARMSTRONG MAY HAVE OF THE
24 LIFE AND THE PEOPLE RELATED TO MR. E. RON
25 HUBBARD, THE CHURCH'S FOUNDER.

26 SO IT'S THOSE FOUR PROVISIONS THAT
27 WE'RE SEEKING. THE FIRST OF WHICH I SAID
28 PROBABLY ISN'T A PROBLEM, AND THE SECOND THREE

1 ARE REALLY WHAT WE'RE CONCERNED ABOUT.

2 THE ONLY ONE THAT I THINK MR. GREENE
3 HAS MADE A POINT ABOUT IS NUMBER TWO, WHICH IS
4 THE ONE HAVING TO DO WITH AIDING PEOPLE ENGAGED
5 IN LITIGATION WITH THE CHURCH OF SCIENTOLOGY.

6 MS. BARTILSON: IF I MAY JUST CLARIFY
7 THAT PROVISION, YOUR HONOR, FOR A MOMENT.

8 THAT PROVISION IN THE SETTLEMENT
9 AGREEMENT DOES NOT PROHIBIT MR. ARMSTRONG FROM
10 BEING SUBPOENAED BY ANYONE TO GIVE TESTIMONY
11 ANYPLACE. IT CERTAINLY WOULDN'T PREVENT MR.
12 YANNY FROM DEPOSING MR. ARMSTRONG; IN FACT, THE
13 DEPOSITION OF MR. ARMSTRONG IS RIGHT NOW SET IN
14 THE YANNY MATTER FOR MARCH 16TH.

15 SO THAT WOULD NOT PRESENT ANY
16 PROBLEM AS FAR AS I COULD TELL WITH MR. YANNY.
17 WE'RE TALKING ABOUT VOLUNTARY ASSISTANCE.

18 THE COURT: MR. GREENE, WE REQUIRE ON A
19 TEMPORARY RESTRAINING ORDER SPECIFIC LANGUAGE
20 THAT DOES NOT PREVENT MR. ARMSTRONG FROM WORKING
21 FOR YOU IN YOUR LAW OFFICE.

22 MR. GREENE: I NEED TO ALSO ADDRESS
23 ADDITIONAL POINTS.

24 THE COURT: YOUR 15 MINUTES -- I SAID 15
25 MINUTES TODAY -- ARE JUST ABOUT UP.

26 MR. GREENE: WELL THEN, LET ME HAVE MY
27 FAIR SHAKE.

28 ONE, WITH RESPECT TO THE SETTLEMENT

1 AGREEMENT, THAT'S A PART OF THE RECORD IN THIS
2 CASE. SO THAT IS CERTAINLY PUBLIC, AND NOT
3 GERMANE.

4 TWO: WITH RESPECT TO CONFIDENTIALITY
5 ABOUT ARMSTRONG'S KNOWLEDGE OF THE CHURCH OF
6 SCIENTOLOGY AND E. RON HUBBARD, OUR POSITION IS
7 THAT FOR THE COURT TO ENJOIN ARMSTRONG FROM
8 SPEAKING IS A VIOLATION OF THE FIRST AMENDMENT
9 RIGHT TO FREE SPEECH.

10 TO ENJOIN ARMSTRONG FROM ASSOCIATING
11 WITH INDIVIDUALS WHO MAY OR MAY NOT BE ADVERSE
12 TO THE CHURCH OF SCIENTOLOGY IS ALSO A VIOLATION
13 OF THE FIRST AMENDMENT RIGHT TO FREELY ASSOCIATE
14 IN SUPPORT OF THE EXERCISE OF FREE SPEECH
15 RIGHTS.

16 AND WHAT PLAINTIFFS ARE SEEKING TO
17 DO IS TO ASK THE COURT TO ISSUE AN
18 UNCONSTITUTIONAL ORDER.

19 I MIGHT POINT OUT THAT AT THIS TIME
20 IN THE STATE LEGISLATURE HERE IN CALIFORNIA,
21 THERE'S A BILL NUMBER 711 WINDING ITS WAY
22 THROUGH THE SENATE WHICH WOULD SPECIFICALLY
23 PROHIBIT AGREEMENTS SUCH AS THAT WHICH IS BEFORE
24 THE COURT AND WHICH PLAINTIFFS ARE SEEKING THE
25 COURT TO ENFORCE, EVEN IF TEMPORARILY.

26 ADDITIONALLY, WITH RESPECT TO THE
27 SECOND ITEM MENTIONED ON PREVENTING ARMSTRONG
28 FROM ASSISTING THOSE WHO ARE ADVERSE TO

1 SCIENTOLOGY, I SUBMIT THAT THE WORDING IS SO
2 VAGUE THAT MR. ARMSTRONG CANNOT BE ON NOTICE AS
3 TO WHAT IT IS THAT HE IS TO DO AND NOT TO DO,
4 AND IN THAT REGARD IT IS UNCONSTITUTIONAL AS
5 WELL.

6 ANY KIND OF ORDER THAT'S GOING TO
7 IMPINGE ON FREE SPEECH RIGHTS HAS GOT TO BE
8 NARROWLY DRAWN, AND HAS GOT TO SPECIFICALLY
9 IDENTIFY WHAT THEIR PROHIBITED BEHAVIOR IS, AND
10 I DON'T THINK, ONE, THAT ANY ORDER IMPINGING ON
11 FREE SPEECH RIGHTS IS PROPER.

12 AND TWO: I DON'T THINK THAT SUCH AN
13 ORDER CAN BE DRAWN WITH THE REQUISITE
14 SPECIFICITY IN ORDER TO PASS CONSTITUTIONAL
15 MUSTER.

16 FINALLY, IF THE COURT ISSUES AN
17 ORDER LIKE THAT, WHAT IS THE EFFECT OF THE
18 ORDER?

19 THE EFFECT OF THE ORDER IS THAT
20 ARMSTRONG THEN CAN'T GO OUT AND TRY TO TALK TO
21 WITNESSES IN ORDER TO OBTAIN THE EVIDENCE AND
22 INFORMATION FOR HIS OWN DEFENSE IN THIS CASE.

23 I WOULD SUBMIT THAT, YES, THAT IF
24 THE ORDER ISSUED, THAT ARMSTRONG WOULD BE
25 PREVENTED FROM DOING THAT.

26 COUNSEL MADE THE POINT ARMSTRONG CAN
27 BE SUBPOENAED. HOWEVER, IN THE AGREEMENT THAT
28 SCIENTOLOGY IS ATTEMPTING TO HAVE THIS COURT

1 ENFORCE, THERE'S A SPECIFIC PROVISION THAT SAYS
2 THAT ARMSTRONG IS TO, QUOTE, NOT MAKE HIMSELF
3 AMENABLE TO SERVICE OF PROCESS CONTRARY TO THE
4 INTENT AND SPIRIT OF THIS AGREEMENT.

5 HE'S SUPPOSED TO AVOID SERVICE OF
6 PROCESS. HE IS SUPPOSED NOT TO PROVIDE
7 TESTIMONY.

8 AND I THINK THAT THE ORDER,
9 TEMPORARY AS IT MIGHT BE NOW IN MARCH OF 1992,
10 CONCERNING CONDUCT THAT THEY CLAIM STARTED IN
11 JUNE OF 1991, THERE AREN'T SUFFICIENT GROUNDS.

12 WE'RE PREPARED TOMORROW TO SUBMIT
13 OUR OPPOSITION AS REQUIRED TO BY CCP 527 SO AS
14 TO HAVE THE MATTER HEARD NOW, SO AS TO INSURE
15 THAT THERE IS NOT ANY KIND OF UNCONSTITUTIONAL
16 INFRINGEMENT BY JUDICIAL ORDER ON MR.
17 ARMSTRONG'S RIGHTS TO FREE SPEECH AND TO FREELY
18 ASSOCIATE.

19 I ALSO SUBMIT THAT WHAT THE
20 PLAINTIFF IS SEEKING TO DO ULTIMATELY WOULD
21 CONSTITUTE A FRAUD ON THE COURT. IT'S SAYING,
22 MR. ARMSTRONG, YOU CAN'T GO OUT, YOU CAN'T
23 OBTAIN EVIDENCE, YOU CAN'T ASSOCIATE WITH PEOPLE
24 WHO ARE SUPPOSED TO BE ADVERSE TO SCIENTOLOGY.
25 BUT WHAT WE CAN DO IS GET ALL PREPARED, BUT IF
26 YOU DO, YOU'RE GOING TO BE IN CONTEMPT OF COURT.

27 THAT'S NOT FAIR.

28 AND SO, ON THIS SHORT NOTICE, AND ON

1 THIS QUICK BASIS, WITHOUT AN OPPORTUNITY TO
2 REALLY SIT DOWN AND TOTALLY THINK ABOUT IT,
3 THOSE ARE -- THOSE ARE THE REASONS WHY THE COURT
4 SHOULD NOT ISSUE ANY KIND OF TEMPORARY ORDER.

5 AND IF THE COURT IS INCLINED TO DO
6 SO, MY REQUEST IS THAT THE COURT STAY THE
7 EFFECTIVENESS OF ANY SUCH T.R.O. FOR ANYWHERE
8 FROM FOUR DAYS TO A WEEK, SO WE CAN WRIT IT
9 BECAUSE I DON'T THINK THAT IT WOULD BE AN
10 APPROPRIATE ORDER AND I THINK THAT IT'S
11 SOMETHING THAT SHOULD BE REVIEWED.

12 THE COURT: ALL RIGHT. HERE'S WHAT WE'RE
13 GOING TO DO.

14 I'M GOING TO SET THE MATTER FOR
15 HEARING ON ALL PENDING MOTIONS FOR 9:00 O'CLOCK
16 ON FRIDAY, MARCH 20TH.

17 ANY ADDITIONAL PLEADINGS OR
18 RESPONSES --

19 MR. GREENE: YOUR HONOR, I'VE GOT A
20 CONFLICT IN SONOMA COUNTY.

21 THE COURT: YOU CALL SONOMA COUNTY AND
22 TELL THEM YOU WILL BE IN MARIN COUNTY BECAUSE
23 YOU HAVE A CASE WITH COUNSEL COMING.

24 MR. GREENE: I WILL.

25 THE COURT: -- ANY ADDITIONAL PLEADINGS,
26 RESPONSES AND SO FORTH, FROM ANY OF THE
27 PARTIES -- THIS INCLUDES MR. YANNY'S AMICUS
28 BRIEF -- ARE TO BE FILED BY 5:00 O'CLOCK,

1 ACTUALLY 4:30, ON MONDAY, MARCH 16TH.

2 MS. BARTILSON: EXCUSE ME, YOUR HONOR.

3 WOULD IT BE POSSIBLE FOR US TO HAVE
4 AN OPPORTUNITY TO DO A REPLY TO THEIR
5 OPPOSITIONS? CAN WE SCHEDULE IT THAT WAY?

6 THE COURT: ALL RIGHT. THEN ANY PARTY
7 MAY REPLY, AGAIN, BUT GIVE ME A LITTLE TIME
8 THERE, BY THE CLOSE OF BUSINESS ON THURSDAY THE
9 19TH.

10 IF THERE ARE REPLIES, THEY BETTER BE
11 COPIED FOR ME AND BETTER BE DELIVERED, BECAUSE
12 I'M GOING OVER EVERYTHING THAT NIGHT.

13 MS. BARTILSON: OKAY.

14 MR. WILSON: THANK YOU, YOUR HONOR.

15 THE COURT: AND I'M GOING TO SIGN THE
16 ORDER ALLOWING MR. YANNY TO FILE AN AMICUS
17 BRIEF.

18 MR. BERRY: THANK YOU, YOUR HONOR.

19 THE COURT: AND I WILL HAVE A FULL
20 HEARING ON THE 20TH ON HIS APPLICATION TO
21 INTERVENE IN THE ACTION.

22 MR. BERRY: AND WE WILL BE HEARD ON THE
23 AMICUS BRIEF AS WELL IN RELATION TO --

24 THE COURT: YES.

25 MR. BERRY: THANK YOU.

26 THE COURT: I'M GOING TO ISSUE THE
27 REQUESTED TEMPORARY RESTRAINING ORDER, BUT WITH
28 THE -- I WANT IN THE ORDER THE SPECIFIC RELIEF

1 FOR MR. ARMSTRONG THAT HE CAN CONTINUE TO WORK
2 FOR MR. GREENE AND MR. GREEN'S LAW OFFICE.

3 MR. WILSON: WE WILL PUT THAT IN THERE.
4 WE'LL SUBMIT IT TO COUNSEL FOR APPROVAL AS TO
5 FORM. IF HE DOESN'T APPROVE IT WITH AN
6 INDICATION THAT HE WON'T --

7 THE COURT: IF IT'S UNTIMELY, I WILL BE
8 HERE THROUGH THE END OF BUSINESS ON THURSDAY,
9 THEN I'LL BE GOING OUT OF THE COUNTRY FROM
10 FRIDAY MORNING UNTIL MONDAY THE 16TH.

11 MR. WILSON: WE'LL SUBMIT THE ORDER TO
12 YOU BY TOMORROW AT NOON.

13 AND WHY DON'T WE -- WHAT IF MR.
14 GREENE HAS AN OBJECTION, HE CAN COMMUNICATE BY
15 LETTER TO YOU WITH COPIES TO US.

16 THE COURT: FINE.

17 MR. WILSON: THAT WAY WE DON'T HAVE
18 TO --

19 THE COURT: THAT'S FINE.

20 MR. WILSON: THANK YOU.

21 MR. GREENE: WHAT --

22 THE COURT: ANY QUESTION ABOUT
23 SCHEDULING?

24 MR. GREENE: NO.

25 MR. BERRY: YES, YOUR HONOR. 4:00 P.M.
26 MONDAY, MARCH 16TH, FOR OPPOSITION?

27 THE COURT: LET'S GO OVER THAT AGAIN.

28 ANY ADDITIONAL PLEADINGS, DOCUMENTS

1 IN OPPOSITION TO PENDING MOTIONS, AND SO FORTH,
2 MUST BE FILED BY 4:30 ON MONDAY, MARCH 16TH.

3 ANY RESPONSE THAT ANY OF THE PARTIES
4 WISH TO FILE TO ANY OF THE PLEADINGS FILED ON
5 THE 16TH MUST BE FILED NO LATER THAN 4:30 ON
6 THURSDAY THE 19TH, AND A HEARING ON ALL PENDING
7 MOTIONS, NAMELY MR. YANNY'S MOTION TO INTERVENE
8 AND PLAINTIFFS' MOTION FOR A PRELIMINARY
9 INJUNCTION, WILL BE HEARD IN THIS DEPARTMENT AT
10 9:00 O'CLOCK ON FRIDAY, THE 20TH OF MARCH.

11 MR. GREENE: ONE OTHER HOUSEKEEPING
12 MATTER BEFORE YOU IS MY EX PARTE APPLICATION,
13 THAT I UNDERSTAND IS UNOPPOSED, TO FILE A BRIEF
14 IN EXCESS OF 15 PAGES. CAN WE DEAL WITH THAT
15 NOW?

16 MR. WILSON: NO PROBLEM.

17 THE COURT: LOOKING AT THE DOCUMENTS, A
18 MERE FEW EXTRA PAGES WILL NOT BOTHER ME; SO YES,
19 THAT WILL BE GRANTED.

20 MS. BARTILSON: CAN WE ASK FOR THE SAME
21 COURTESY ON OUR REPLY, YOUR HONOR?

22 THE COURT: YES. LET'S JUST WAIVE THE 15
23 PAGES.

24 MS. BARTILSON: WAIVE IT.

25 MR. WILSON: THAT'S ONE THING WE CAN ALL
26 AGREE ON, YOUR HONOR.

27 THE COURT: I'D RATHER HAVE EVERYTHING IN
28 WRITING SO I CAN READ IT AHEAD OF TIME.

1 MR. GREENE: SO IF I CAN UNDERSTAND WHAT
2 THE ORDER IS WITH RESPECT TO THE T.R.O.:

3 ALL OF THE RELIEF THAT IS BEING
4 SOUGHT BY THE PLAINTIFF IN REGARD TO A
5 PRELIMINARY INJUNCTION IS BEING GRANTED ON A
6 TEMPORARY BASIS EXCEPT FOR ARMSTRONG WORKING IN
7 MY OFFICE?

8 THE COURT: THAT'S CORRECT. THAT'S
9 CORRECT.

10 MR. GREENE: OKAY. AND THEN THE REASONS
11 FOR THAT ARE AS SET FORTH IN THEIR PAPERS AS
12 WELL, I WOULD CONCLUDE.

13 I JUST WANTED TO MAKE SURE THAT I'M
14 RIGHT.

15 THEN ALSO, WOULD THE SCOPE OF THAT
16 ORDER PRECLUDE ARMSTRONG FROM TALKING TO OTHER
17 INDIVIDUALS FOR THE PURPOSE OF OBTAINING
18 EVIDENCE TO DEFEND HIMSELF IN THESE
19 PROCEEDINGS?

20 THE COURT: I'M NOT GOING TO PRERULE ON
21 THAT. YOU CAN USE YOUR OWN JUDGMENT. THE ORDER
22 WILL SAY WHAT THE ORDER SAYS.

23 MR. WILSON: THANK YOU, YOUR HONOR.

24 THE COURT: ONE OTHER THING REGARDING
25 YANNY.

26 I HAVE A PROPOSED ORDER REGARDING
27 THE AMICUS. ARE YOU GOING TO PREPARE ANOTHER
28 FORM OF ORDER, OR DO YOU WANT TO USE THE

1 PROPOSED ORDER?

2 MR. BERRY: THERE SEEMS NO REASON WHY WE
3 CAN'T USE THE PROPOSED ORDER, YOUR HONOR.

4 THE COURT: I'LL JUST TAKE A LOOK AT IT.

5 MS. BARTILSON: MAY I SEE WHAT IT SAYS? I
6 HAVEN'T SEEN IT, YOUR HONOR.

7 THE COURT: ALL RIGHT. THEN I'M GOING TO
8 SIMPLY SIGN THAT ORDER. THAT BRIEF IS TO BE
9 FILED BY 5:00 O'CLOCK ON THE 16TH.

10 MR. WILSON: THANK YOU, YOUR HONOR.

11 MR. GREENE: SO YOUR HONOR, JUST SO THAT
12 I'M CLEAR WITH MR. ARMSTRONG, WE HAVE TO TRY TO
13 GUESS WHAT THE SCOPE OF THE ORDER IS, WHAT HE
14 CAN OR CANNOT --

15 THE COURT: IT'S NOT GUESSING, IT'S
16 INTERPRETING THE ORDER. THAT'S WHAT LAWYERS DO
17 ALL THE TIME.

18 MR. GREENE: I'M AWARE OF THAT.

19 AND ALL I CAN SAY IS I BELIEVE THAT
20 THE COURT IS PUTTING US IN A NIGH IMPOSSIBLE
21 POSITION, BECAUSE ON THE ONE HAND I BELIEVE THE
22 ORDER IS GOING TO SAY ARMSTRONG CAN'T GO AND
23 CONTACT PEOPLE ADVERSE TO SCIENTOLOGY, AS THOSE
24 ARE THE ONLY ONES HE'S GOING TO GET ANY HELP
25 FROM.

26 THE COURT: THE --

27 MR. BERRY: ONE POINT I WANT TO FURTHER
28 CLARIFY:

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YOUR HONOR JUST MADE A COMMENT ABOUT
SOMETHING BY 5:00 P.M. MARCH 16 WITH REGARD TO
THE ORDER. WAS THAT A FINAL ORDER?

THE COURT: SAY THAT AGAIN.

MR. BERRY: YOUR HONOR JUST MADE A
COMMENT WHICH I MISSED ABOUT FILING ANOTHER
ORDER BY MARCH 16TH. AM I MISHEARING IT?

THE COURT: NO. I WAS SAYING YOU HAVE A
PROPOSED ORDER. IT SAYS PROPOSED IN THE AMICUS
BRIEF. I SAID DO YOU WANT TO PREPARE ANOTHER
ONE. YOU SAID NO, SO I SIMPLY SIGNED THE ONE
THAT YOU SUBMITTED.

MR. BERRY: THANK YOU.

MR. WILSON: THANK YOU, YOUR HONOR.

MR. BARTILSON: THANK YOU, YOUR HONOR.

MR. BERRY: THANK YOU, YOUR HONOR.

(WHEREUPON, THE PROCEEDINGS WERE CONCLUDED.)

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STATE OF CALIFORNIA)
) SS.
COUNTY OF MARIN)

I, DEBORAH S. BARTUNEK, DO HEREBY CERTIFY THAT I AM AN OFFICIAL COURT REPORTER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA, IN AND FOR THE COUNTY OF MARIN;

THAT, AS SUCH, I REPORTED THE PROCEEDINGS HAD IN THE ABOVE-ENTITLED ACTION AT THE TIME AND PLACE SET FORTH HEREIN;

THAT MY STENOTYPE NOTES WERE THEREAFTER TRANSCRIBED INTO TYPEWRITING UNDER MY DIRECTION;

THAT THE FOREGOING PAGES, NUMBERED 3 THROUGH 22, INCLUSIVE, CONSTITUTES THE TRANSCRIPT OF THE PROCEEDINGS HELD ON THE ABOVE MENTIONED DATE, IN THE ABOVE-ENTITLED CASE.

DATED: SAN RAFAEL, CALIFORNIA, THIS 4TH DAY OF MARCH, 1992.


DEBORAH S. BARTUNEK, CSR 4822

ANDREW H. WILSON
STEPHEN C. RYAN*
JEANNETTE D. LEJARDI
STUART A. KNOWLES
ANNE R. WOODS
LINDA M. FONG
SHAUNA T. RAJKOWSKI
EDWARD S. ZUSMAN

A PROFESSIONAL LAW CORPORATION
3 MONTGOMERY STREET, SUITE 450
SAN FRANCISCO, CALIFORNIA 94104
(415) 391-3900
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OF COUNSEL
LISA F. CAMPILONGO
EDWARD L. BLUM

*CERTIFIED TAXATION SPECIALIST
CALIFORNIA BOARD OF LEGAL SPECIALIZATION

TELECOPY COVER LETTER

FAXED

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TO: FORD GREENE, Esq. DATE: 3-4-92
TELEPHONE: 456-5318

FROM: Andrew Wilson

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EXHIBIT B

1 Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
2 235 Montgomery Street
Suite 450
3 San Francisco, California 94104
(415) 391-3900

4 Laurie J. Bartilson
5 BOWLES & MOXON
6 6255 Sunset Boulevard
Suite 2000
7 Hollywood, California 90028
(213) 661-4030

8 Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL
9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 FOR THE COUNTY OF MARIN

12 CHURCH OF SCIENTOLOGY)
INTERNATIONAL, a California)
13 not-for-profit religious)
corporation;)

14 Plaintiff,)

15 vs.)

16 GERALD ARMSTRONG; DOES 1)
17 through 25, inclusive,)

18 Defendants.)

Case No. 152229

TEMPORARY RESTRAINING ORDER

19
20 Plaintiff's application for a Temporary Restraining Order was
21 heard by the Court on this 3rd day of March, 1992, and good cause
22 appearing therefor,

23 IT IS HEREBY ORDERED:

24 1. Pending the hearing on Plaintiff's Motion for a
25 Preliminary Injunction, to be heard by the Court on March 20, 1992
26 at 9:00 a.m., Defendant Gerald Armstrong ("Armstrong" or
27 "Defendant"), his agents and all those acting in concert with him,
28 are hereby temporarily enjoined from violation of that certain

WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

1 Settlement Agreement ("Agreement") dated December 6, 1986, including
2 the following:

3 2. Armstrong is restrained from violating Paragraph 7(d)
4 which prohibits Armstrong from creating or publishing books or
5 magazine articles, disclosing his experiences with Scientology, and
6 any knowledge or information he may have concerning the Church of
7 Scientology, L. Ron Hubbard, or any of the organizations listed in
8 Paragraph 1 of the Agreement ("Scientology organizations")
9 affiliated therewith, disclosing documents identified in Exhibit A
10 to the Settlement Agreement, including films, tapes, photographs,
11 recordings or variations or copies of any such materials which
12 concern or relate to the religion of Scientology, L. Ron Hubbard or
13 any of the Scientology organizations;

14 3. Defendant is restrained from violating the provisions of
15 Paragraph 7(g) which prohibits Defendant from voluntarily assisting
16 or cooperating with any person adverse to Scientology in any
17 proceeding against any of the Scientology organizations, or from
18 cooperating in any manner with any organizations aligned against
19 Scientology;

20 4. Defendant is restrained from violating the provisions of
21 Paragraph 7(h) which prohibits Defendant from testifying or
22 participating in judicial or administrative proceedings adverse to
23 Scientology or any of the Scientology organizations unless compelled
24 to do so by subpoena or lawful process;

25 5. Defendant is restrained from violating the provisions of
26 Paragraph 10, which prohibits Defendant from assisting or advising
27 anyone, including individuals, partnerships, associations,
28 corporations, or governmental entities contemplating any claim or

1 engaged in litigation or involved in or contemplating any activity
2 adverse to the interests of any of the Scientology organizations;

3 6. Defendant is restrained from violating the provisions of
4 Paragraph 18(d), which prohibits Defendant from disclosing the
5 contents of the Agreement;

6 7. Nothing in this Order shall be construed to prohibit
7 Armstrong from working in the employ of, or as an independent
8 contractor for, Ford Greene on matters not involving the Church of
9 Scientology International or any of the Scientology organizations.

10 DATED: _____, 1992.

JUDGE OF THE SUPERIOR COURT

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EXHIBIT B

FORD GREENE
LAWYER

HUB LAW OFFICES
711 512 FRANCIS DRAKE BOULEVARD
SAN ANSELMO, CALIFORNIA 94960-1949
(415) 258-0360

LICENSE No. 107601
FACSIMILE (415) 456-5318

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DATE: March 4, 1992
TO: ANDREW WILSON
TELEPHONE:
FAX TELEPHONE: 954-0938
FROM: FORD GREENE
TELEPHONE: (415) 258-0360
FAX TELEPHONE: (415) 456-5318

DOCUMENT INFORMATION

This Fax Communication consists of this cover sheet plus 6 pages comprising the accompanying document.

Scientology v. Armstrong

- Copy of letter to court re TRO.
- Request for stipulation to transfer.

EXHIBIT C

March 4, 1992

By Hand Delivery

HONORABLE MICHAEL B. DUFFICY
Department 4
Superior Court of California
County of Marin
Hall of Justice, Civic Center
San Rafael, California 94903

RE: *Scientology v. Armstrong*
Marin County Superior Court
Case No. 152229

Dear Honorable Judge Dufficy:

At 11:46 a.m. this date, in consequence of my express request to him over the telephone shortly before that time, Mr. Wilson faxed to me a copy of his proposed Temporary Restraining Order in the above matter. I am advised that he has messengered the same Order to you. Rather than address my objections to Mr. Wilson, I will submit them directly to you.

Paragraph 1

We object to the following underlined language:

". . . Defendant Gerald Armstrong ("Armstrong" or "Defendant"), his agents and all those acting in concert with him, are hereby temporarily enjoined from violation of that certain Settlement Agreement ("Agreement") dated December 6, 1986, including the following:"

As Mr. Armstrong's attorney, I am his agent for the purposes of the above referenced lawsuit. Were the above language to be made into a court order, it appears I would be in violation thereof were I to contact persons "adverse to Scientology" or "organizations aligned against Scientology" (whatever those phrases mean), as set forth in Paragraph 3 of the proposed TRO, in developing Mr. Armstrong's defense in this case. Further, nothing that the Court stated yesterday mentioned any TRO being applicable to the "agents" of Armstrong. I submit that the inclusion of such language is no more than an effort to further restrict Mr. Armstrong from his right to counsel, right to defend himself, and effort to harass my office.

EXHIBIT C

Such a result would constitute a denial of due process (the right to notice, opportunity to defendant and meaningful hearing), equal protection, a denial of the right to counsel, denial of the right to redress, the prohibition against contracts which are supported by consideration which have illegal objectives, and tend to perpetrate a fraud on the court by undermining the integrity of the adversarial system which prohibits one party from controlling both sides of the litigation, for such an order to issue.

Pursuant to the terms of Paragraph 1 of the proposed TRO, it is not unreasonable to surmise that any contacts between Mr. Yanny's lawyers and myself would violate the above-specified provision, however, unless explicitly and specifically ordered otherwise, I am going to assume that the Court would not intend its TRO, should it issue, to accomplish such a draconian result.

Paragraph 2

We incorporate the objections pertaining to Paragraph 1 of the proposed TRO, set forth above. Further, we object on the grounds of lack of notice, vagueness, ambiguity, and overbreadth to the following underlined language:

"disclosing his experiences with Scientology, and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organization listed in Paragraph 1 of the Agreement ("Scientology organizations") affiliated therewith, disclosing documents identified in Exhibit A to the Settlement Agreement, including films, tapes, photographs, recordings or variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the Scientology organizations."

Aside from the difficulty defining terms such as "experiences with Scientology," "knowledge or information he may have," "Scientology organizations," the Court should recognize that no Exhibit A is attached to the Settlement Agreement. (See the Settlement Agreement which is Exhibit A to Declaration of Andrew Wilson in Support of Motion for Preliminary Injunction which is Exhibit 2 to Evidence Submitted in Support of Plaintiff's Motion for Preliminary Injunction.) This makes compliance impossible.

Since the indicated language all falls within the scope of Mr. Armstrong's First Amendment right to Freedom of Speech and his subsidiary right to Freedom of Association, as well as the

public's right to be informed, the TRO is an unconstitutional prior restraint on the exercise of said rights, and is unconstitutionally vague and overbroad.

The TRO would require the Court to supervise Mr. Armstrong's exercise of his First Amendment rights in a context where the exercise of said rights is directly related to defending himself in litigation prosecuted by the party seeking the TRO. Such a result not only conflicts with the notion underlying the adversary system of justice that from the clash of adverse interests the truth will emerge, it is also an order requiring the specific performance of a personal services contract which the court is without jurisdiction to order.

Paragraph 3

We incorporate the objections pertaining to Paragraphs 1 and 2 of the proposed TRO, set forth above. Further, we object on the grounds of lack of notice, vagueness, ambiguity, and overbreadth to the following underlined language:

". . . prohibits Defendant from voluntarily assisting or cooperating with any person adverse to Scientology in any proceeding against any of the Scientology organizations, or from cooperating in any manner with any organization aligned against Scientology."

Paragraph 4

We incorporate the objections pertaining to Paragraphs 1 through 3 of the proposed TRO, set forth above. Further, we object on the grounds of lack of notice, vagueness, ambiguity, and overbreadth to the following underlined language:

". . . prohibits defendant from testifying or participating in judicial or administrative proceedings adverse to Scientology or any of the Scientology Organizations unless compelled to do so by lawful subpoena or lawful process."

With respect to Paragraph 4, I would note that plaintiff has removed the language in 7H of the Agreement which would require Armstrong to avoid service of process, ("Plaintiff shall not make himself amenable to service of any subpoena in a manner which invalidates the intent of this provision") which supports our position that the TRO constitutes an inadvertent judicial effectuation of contractual provisions that are illegal on their face and a violative of public policy.

Paragraph 5

We incorporate the objections pertaining to Paragraphs 1 through 4 of the proposed TRO, set forth above. Further, we object on the grounds of lack of notice, vagueness, ambiguity, and overbreadth to the following underlined language:

" . . . prohibits Defendant from assisting or advising anyone, including individuals, partnerships, associations, corporations, or governmental entities contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any of the Scientology organizations."

Paragraph 6

Incorporating all prior objections, we object to the entire Paragraph 6. The settlement agreement is a part of the public record in this case. Certainly, the Court cannot issue an order with the anomalous result that a party is prohibited from disclosing the contents of a document that is a public record in the very case in which it is being used as the basis for a lawsuit against him. Such a contradictory order would have the inevitable effect of undermining the respect of the public for the judiciary.

Paragraph 7

Incorporating all prior objections, we object to the entire Paragraph 7. The work I perform in my office is subject to the attorney client and attorney work product privilege. I respectfully submit that it is not the province of the Court to control the activities of my assistant, Mr. Armstrong, while he is acting in the course and scope of such employment. Such an order not only would be in restraint of trade, violate Mr. Armstrong's rights to contract and employment, it would interfere with the right to counsel of other clients of mine.

Based upon the fundamental and grave infirmities identified above, and which pertain to the proposed TRO, Mr. Armstrong respectfully suggests that this Court, sua sponte, should dissolve the TRO. Otherwise, having given Mr. Armstrong an insufficient time to prepare a response, the Court is issuing mandatory orders which change, not preserve, the status quo and violate essential constitutional and trial rights.

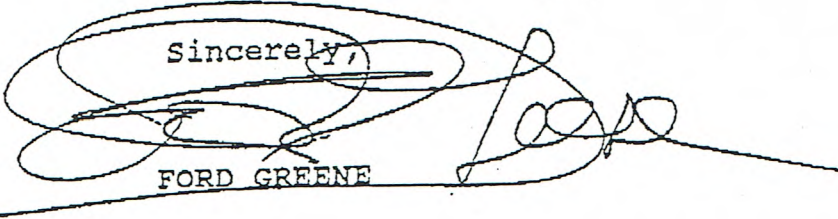
EXHIBIT C

HONORABLE MICHAEL B. DUFFICY
Department 4, Marin Superior Court
March 4, 1992
Page 5.

By Hand Delivery

Mr. Armstrong also objects to the issuance of such an order on an EX Parte basis with a mere 4 hours notice of the fact that such application would be made. Four hours notice is appropriate for a routine EX Parte application such as an order shortening time or an order allowing the filing of an oversized brief. Four hours notice of merely the fact that a Temporary Restraining Order would be sought is not enough considering the magnitude of the relief requested and granted.

Sincerely,


FORD GREENE

:acg

cc: Gerald Armstrong
Graham E. Berry, Esq. (by Telecopier)
Andrew H. Wilson, Esq. (by telecopier)
Laurie J. Bartilson, Esq.

EXHIBIT C

March 4, 1992

Andrew H. Wilson
WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

By Telecopier
415-954-0938

RE: *Scientology v. Armstrong*
Marin County Superior Court
Case No. 152229

Dear Mr. Wilson:

Pursuant to Code of Civil Procedure section 396b, it is our intention to file a motion to transfer the above referenced proceeding to Department 56 of the Los Angeles Superior Court. Our basis for so doing will be Paragraph 20 of the Settlement Agreement, the Joint Stipulation of Dismissal filed on December 11, 1986 in Armstrong I, and the motion to enforce filed October 3, 1991, including all opposition and reply papers regarding the attempted enforcement action, and the arguments presented during the course of the hearing on the motion on December 23, 1991 before the Honorable Bruce R Geernaert.

Based upon the foregoing, I am requesting that your client stipulate to a transfer of Armstrong II, the action presently pending in Marin County Superior Court to Los Angeles Superior Court. Please advise me, in writing, whether your client will so stipulate no later than 2:00 p.m. on March 5, 1992.

Sincerely,


FORD GREENE

:acg

cc: Gerald Armstrong
Graham E. Berry, Esq.
Laurie J. Bartilson Esq.

EXHIBIT C

FILED

MAR - 5 1992

HOWARD HANSON
MARIN COUNTY CLERK
By A. Cooper, Deputy

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8 Attorneys for Plaintiff
CHURCH OF SCIENTOLOGY INTERNATIONAL
9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 FOR THE COUNTY OF MARIN

12 CHURCH OF SCIENTOLOGY)
INTERNATIONAL, a California)
13 not-for-profit religious)
corporation;)
14)
Plaintiff,)
15)
vs.)
16)
GERALD ARMSTRONG; DOES 1)
17 through 25, inclusive,)
18)
Defendants.)

Case No. 152229
TEMPORARY RESTRAINING ORDER

19
20 Plaintiff's application for a Temporary Restraining Order was
21 heard by the Court on this 3rd day of March, 1992, and good cause
22 appearing therefor,

23 IT IS HEREBY ORDERED:

24 1. Pending the hearing on Plaintiff's Motion for a
25 Preliminary Injunction, to be heard by the Court on March 20, 1992
26 at 9:00 a.m., Defendant Gerald Armstrong ("Armstrong" or
27 "Defendant"), his agents ~~and all those acting in concert with him,~~
28 are hereby temporarily enjoined from violation of that certain

WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

1 Settlement Agreement ("Agreement") dated December 6, 1986, including
2 the following:

3 2. Armstrong is restrained from violating Paragraph 7(d)
4 which prohibits Armstrong from creating or publishing books or
5 magazine articles, disclosing his experiences with Scientology, and
6 any knowledge or information he may have concerning the Church of
7 Scientology, L. Ron Hubbard, or any of the organizations listed in
8 Paragraph 1 of the Agreement ("Scientology organizations")
9 affiliated therewith, disclosing documents identified in Exhibit A
10 to the Settlement Agreement, including films, tapes, photographs,
11 recordings or variations or copies of any such materials which
12 concern or relate to the religion of Scientology, L. Ron Hubbard or
13 any of the Scientology organizations;

14 3. Defendant is restrained from violating the provisions of
15 Paragraph 7(g) which prohibits Defendant from voluntarily assisting
16 or cooperating with any person adverse to Scientology in any
17 proceeding against any of the Scientology organizations, or from
18 cooperating in any manner with any organizations aligned against
19 Scientology;

20 4. Defendant is restrained from violating the provisions of
21 Paragraph 7(h) which prohibits Defendant from testifying or
22 participating in judicial or administrative proceedings adverse to
23 Scientology or any of the Scientology organizations unless compelled
24 to do so by subpoena or lawful process;

25 5. Defendant is restrained from violating the provisions of
26 Paragraph 10, which prohibits Defendant from assisting or advising
27 anyone, including individuals, partnerships, associations,
28 corporations, or governmental entities contemplating any claim or

1 engaged in litigation or involved in or contemplating any activity
2 adverse to the interests of any of the Scientology organizations;

3 6. Defendant is restrained from violating the provisions of
4 Paragraph 18(d), which prohibits Defendant from disclosing the
5 contents of the Agreement;

6 7. Nothing in this Order shall be construed to prohibit
7 Armstrong from working in the employ of, or as an independent
8 contractor for, Ford Greene on matters not involving the Church of
9 Scientology International or any of the Scientology organizations.

MICHAEL B. DUFFICY

10 DATED: 3/5, 1992.

JUDGE OF THE SUPERIOR COURT

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MUTUAL RELEASE OF ALL CLAIMS AND SETTLEMENT AGREEMENT

1. This Mutual Release of All Claims and Settlement Agreement is made between Church of Scientology International (hereinafter "CSI") and Gerald Armstrong, (hereinafter "Plaintiff") Cross-Complainant in Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153. By this Agreement, Plaintiff hereby specifically waives and releases all claims he has or may have from the beginning of time to and including this date, including all causes of action of every kind and nature, known or unknown for acts and/or omissions against the officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel of CSI as well as the Church of Scientology of California, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Religious Technology Center, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; all Scientology and Scientology affiliated organizations and entities and their officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Author Services, Inc., its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and its trustee; and Mary Sue Hubbard, (all hereinafter collectively referred to as the

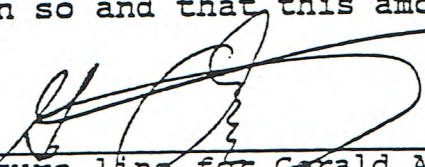
"Releasees"). The parties to this Agreement hereby agree as follows:

2. It is understood that this settlement is a compromise of doubtful and disputed claims, and that any payment is not to be construed, and is not intended, as an admission of liability on the part of any party to this Agreement, specifically, the Releasees, by whom liability has been and continues to be expressly denied. In executing this settlement Agreement, Plaintiff acknowledges that he has released the organizations, individuals and entities listed in the above paragraph, in addition to those defendants actually named in the above lawsuit, because among other reasons, they are third party beneficiaries of this Agreement.

3. Plaintiff has received payment of a certain monetary sum which is a portion of a total sum of money paid to his attorney, Michael J. Flynn. The total sum paid to Mr. Flynn is to settle all of the claims of Mr. Flynn's clients. Plaintiff's portion of said sum has been mutually agreed upon by Plaintiff and Michael J. Flynn. Plaintiff's signature below this paragraph acknowledges that Plaintiff is completely satisfied with the monetary consideration negotiated with and received by Michael J. Flynn. Plaintiff acknowledges that there has been a block settlement between Plaintiff's attorney, Michael J. Flynn, and the Church of Scientology and Churches and entities related to the Church of Scientology, concerning all of Mr. Flynn's clients who were in litigation with any Church of Scientology or related entity. Plaintiff has received a portion of this block.

amount, the receipt of which he hereby acknowledges.

Plaintiff understands that this amount is only a portion of the block settlement amount. The exact settlement sum received by Plaintiff is known only to Plaintiff and his attorney, Michael J. Flynn, and it is their wish that this remain so and that this amount remain confidential.



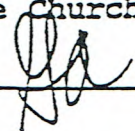
Signature line for Gerald Armstrong

4. For and in consideration of the above described consideration, the mutual covenants, conditions and release contained herein, Plaintiff does hereby release, acquit and forever discharge, for himself, his heirs, successors, executors, administrators and assigns, the Releasees, including Church of Scientology of California, Church of Scientology International, Religious Technology Center, all Scientology and Scientology affiliated organizations and entities, Author Services, Inc. (and for each organization or entity, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel); L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and trustee; and Mary Sue Hubbard, and each of them, of and from any and all claims, including, but not limited to, any claims or causes of action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153 and all demands, damages, actions and causes of actions of every kind and nature, known or unknown,

for or because of any act or omission allegedly done by the Releasees, from the beginning of time to and including the date hereof. Therefore, Plaintiff does hereby authorize and direct his counsel to dismiss with prejudice his claims now pending in the above referenced action. The parties hereto will execute and cause to be filed a joint stipulation of dismissal in the form of the one attached hereto as Exhibit "A".

A. It is expressly understood by Plaintiff that this release and all of the terms thereof do not apply to the action brought by the Church of Scientology against Plaintiff for Conversion, Fraud and other causes of action, which action has already gone to trial and is presently pending before the Second District, Third Division of the California Appellate Court (Appeal No. B005912). The disposition of those claims are controlled by the provisions of the following paragraph hereinafter.

B. As of the date this settlement Agreement is executed, there is currently an appeal pending before the California Court of Appeal, Second Appellate District, Division 3, arising out of the above referenced action delineated as Appeal No. B005912. It is understood that this appeal arises out of the Church of Scientology's complaint against Plaintiff which is not settled herein. This appeal shall be maintained notwithstanding this Agreement. Plaintiff agrees to waive any rights he may have to take any further appeals from any decision eventually reached by the Court of Appeal or any rights he may have to oppose (by responding brief or any other means) any further appeals taken by the Church of



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Scientology of California. The Church of Scientology of California shall have the right to file any further appeals it deems necessary.

5. For and in consideration of the mutual covenants, conditions and release contained herein, and Plaintiff dismissing with prejudice the action Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153, the Church of Scientology of California does hereby release, acquit and forever discharge for itself, successors and assigns, Gerald Armstrong, his agents, representatives, heirs, successors, assigns, legal counsel and estate and each of them, of and from any and all claims, causes of action, demands, damages and actions of every kind and nature, known or unknown, for or because of any act or omission allegedly done by Gerald Armstrong from the beginning of time to and including the date hereof.

6. In executing this Agreement, the parties hereto, and each of them, agree to and do hereby waive and relinquish all rights and benefits afforded under the provisions of Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

7. Further, the undersigned hereby agree to the following:

A. The liability for all claims is expressly denied by the parties herein released, and this final compromise and

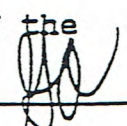
settlement thereof shall never be treated as an admission of liability or responsibility at any time for any purpose.

B. Plaintiff has been fully advised and understands that the alleged injuries sustained by him are of such character that the full extent and type of injuries may not be known at the date hereof, and it is further understood that said alleged injuries, whether known or unknown at the date hereof, might possibly become progressively worse and that as a result, further damages may be sustained by Plaintiff; nevertheless, Plaintiff desires by this document to forever and fully release the Releasees. Plaintiff understands that by the execution of this release no further claims arising out of his experience with, or actions by, the Releasees, from the beginning of time to and including the date hereof, which may now exist or which may exist in the future may ever be asserted by him or on his behalf, against the Releasees.

C. Plaintiff agrees to assume responsibility for the payment of any attorney fee, lien or liens, imposed against him past, present, or future, known or unknown, by any person, firm, corporation or governmental entity or agency as a result of, or growing out of any of the matters referred to in this release. Plaintiff further agrees to hold harmless the parties herein released, and each of them, of and from any liability arising therefrom.

D. Plaintiff agrees never to create or publish or attempt to publish, and/or assist another to create for publication by means of magazine, article, book or other

similar form, any writing or to broadcast or to assist another to create, write, film or video tape or audio tape any show, program or movie, or to grant interviews or discuss with others, concerning their experiences with the Church of Scientology, or concerning their personal or indirectly acquired knowledge or information concerning the Church of Scientology, L. Ron Hubbard or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff further agrees that he will maintain strict confidentiality and silence with respect to his experiences with the Church of Scientology and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff expressly understands that the non-disclosure provisions of this subparagraph shall apply, inter alia, but not be limited, to the contents or substance of his complaint on file in the action referred to in Paragraph 1 hereinabove or any documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard, or any of the organizations, individuals, or entities listed in Paragraph 1 above. The attorneys for Plaintiff, subject to the ethical limitations restraining them as promulgated by the state or federal regulatory associations or agencies, agree not to disclose any of the terms and conditions of the settlement negotiations, amount of the

A handwritten signature in black ink, appearing to be initials or a stylized name, is written over a horizontal line at the bottom right of the page.

settlement, or statements made by either party during settlement conferences. Plaintiff agrees that if the terms of this paragraph are breached by him, that CSI and the other Releasees would be entitled to liquidated damages in the amount of \$50,000 for each such breach. All monies received to induce or in payment for a breach of this Agreement, or any part thereof, shall be held in a constructive trust pending the outcome of any litigation over said breach. The amount of liquidated damages herein is an estimate of the damages that each party would suffer in the event this Agreement is breached. The reasonableness of the amount of such damages are hereto acknowledged by Plaintiff.

E. With exception to the items specified in Paragraph 7(L), Plaintiff agrees to return to the Church of Scientology International at the time of the consummation of this Agreement, all materials in his possession, custody or control (or within the possession, custody or control of his attorney, as well as third parties who are in possession of the described documents), of any nature, including originals and all copies or summaries of documents defined in Appendix "A" to this Agreement, including but not limited to any tapes, computer disks, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above, all evidence of any nature, including evidence obtained from the named defendants through discovery, acquired for the purposes of this lawsuit or any lawsuit, or acquired for any other purpose



concerning any Church of Scientology, any financial or administrative materials concerning any Church of Scientology, and any materials relating personally to L. Ron Hubbard, his family, or his estate. In addition to the documents and other items to be returned to the Church of Scientology International listed above and in Appendix "A", Plaintiff agrees to return the following:

(a) All originals and copies of the manuscript for the work "Excalibur" written by L. Ron Hubbard;

(b) All originals and copies of documents commonly known as the "Affirmations" written by L. Ron Hubbard; and

(c) All documents and other items surrendered to the Court by Plaintiff and his attorneys pursuant to Judge Cole's orders of August 24, 1982 and September 4, 1982 and all documents and other items taken by the Plaintiff from either the Church of Scientology or Omar Garrison. This includes all documents and items entered into evidence or marked for identification in Church of Scientology of California v. Gerald Armstrong, Case No. C 420 153. Plaintiff and his attorney will execute a Joint Stipulation or such other documents as are necessary to obtain these documents from the Court. In the event any documents or other items are no longer in the custody or control of the Los Angeles Superior Court, Plaintiff and his counsel will assist the Church in recovering these documents as quickly as possible, including but not limited to those tapes and other documents now in the possession of the United States District Court in the case of United States v. Zolin, Case No. CV

85-0440-HLH(Tx), presently on appeal in the Ninth Circuit Court of Appeals. In the event any of these documents are currently lodged with the Court of Appeal, Plaintiff and his attorneys will cooperate in recovering those documents as soon as the Court of Appeal issues a decision on the pending appeal.

To the extent that Plaintiff does not possess or control documents within categories A-C above, Plaintiff recognizes his continuing duty to return to CSI any and all documents that fall within categories A-C above which do in the future come into his possession or control.

F. Plaintiff agrees that he will never again seek or obtain spiritual counselling or training or any other service from any Church of Scientology, Scientologist, Dianetics or Scientology auditor, Scientology minister, Mission of Scientology, Scientology organization or Scientology affiliated organization.

G. Plaintiff agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organizations aligned against Scientology.

H. Plaintiff agrees not to testify or otherwise participate in any other judicial, administrative or legislative proceeding adverse to Scientology or any of the Scientology Churches, individuals or entities listed in Paragraph 1 above unless compelled to do so by lawful subpoena or other lawful process. Plaintiff shall not make

himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. Unless required to do so by such subpoena, Plaintiff agrees not to discuss this litigation or his experiences with and knowledge of the Church with anyone other than members of his immediate family. As provided hereinafter in Paragraph 18(d), the contents of this Agreement may not be disclosed.

I. The parties hereto agree that in the event of any future litigation between Plaintiff and any of the organizations, individuals or entities listed in Paragraph 1 above, that any past action or activity, either alleged in this lawsuit or activity similar in fact to the evidence that was developed during the course of this lawsuit, will not be used by either party against the other in any future litigation. In other words, the "slate" is wiped clean concerning past actions by any party.

J. It is expressly understood and agreed by Plaintiff that any dispute between Plaintiff and his counsel as to the proper division of the sum paid to Plaintiff by his attorney of record is between Plaintiff and his attorney of record and shall in no way affect the validity of this Mutual Release of All Claims and Settlement Agreement.

K. Plaintiff hereby acknowledges and affirms that he is not under the influence of any drug, narcotic, alcohol or other mind-influencing substance, condition or ailment such that his ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected.

L. Notwithstanding the provisions of Paragraph 7(E) above, Plaintiff shall be entitled to retain any artwork created by him which concerns or relates to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above provided that such artwork never be disclosed either directly or indirectly, to anyone. In the event of a disclosure in breach of this Paragraph 7(L), Plaintiff shall be subject to the liquidated damages and constructive trust provisions of Paragraph 7(D) for each such breach.

8. Plaintiff further agrees that he waives and relinquishes any right or claim arising out of the conduct of any defendant in this case to date, including any of the organizations, individuals or entities as set forth in Paragraph 1 above, and the named defendants waive and relinquish any right or claim arising out of the conduct of Plaintiff to date.

9. This Mutual Release of All Claims and Settlement Agreement contains the entire agreement between the parties hereto, and the terms of this Agreement are contractual and not a mere recital. This Agreement may be amended only by a written instrument executed by Plaintiff and CSI. The parties hereto have carefully read and understand the contents of this Mutual Release of All Claims and Settlement Agreement and sign the same of their own free will, and it is the intention of the parties to be legally bound hereby. No other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically

incorporated here shall be deemed to in any way exist or bind any of the parties hereto.

10. Plaintiff agrees that he will not assist or advise anyone, including individuals, partnerships, associations, corporations, or governmental agencies contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any entity or class of persons listed above in Paragraph 1 of this Agreement.

11. The parties to this Agreement acknowledge the following:

A. That all parties enter into this Agreement freely, voluntarily, knowingly and willingly, without any threats, intimidation or pressure of any kind whatsoever and voluntarily execute this Agreement of their own free will;

B. That all parties have conducted sufficient deliberation and investigation, either personally or through other sources of their own choosing, and have obtained advice of counsel regarding the terms and conditions set forth herein, so that they may intelligently exercise their own judgment in deciding whether or not to execute this Agreement; and

C. That all parties have carefully read this Agreement and understand the contents thereof and that each reference in this Agreement to any party includes successors, assigns, principals, agents and employees thereof.

12. Each party shall bear its respective costs with respect to the negotiation and drafting of this Agreement and

all acts required by the terms hereof to be undertaken and performed by that party.

13. To the extent that this Agreement inures to the benefit of persons or entities not signatories hereto, this Agreement is hereby declared to be made for their respective benefits and uses.

14. The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

15. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16. In the event any provision hereof be unenforceable, such provision shall not affect the enforceability of any other provision hereof.

17. All references to the plural shall include the singular and all references to the singular shall include the plural. All references to gender shall include both the masculine and feminine.

18.(A) Each party warrants that they have received independent legal advice from their attorneys with respect to the advisability of making the settlement provided for herein and in executing this Agreement.

(B) The parties hereto (including any officer, agent, employee, representative or attorney of or for any party) acknowledge that they have not made any statement,

representation or promise to the other party, regarding any fact material to this Agreement except as expressly set forth herein. Furthermore, except as expressly stated in this Agreement, the parties in executing this Agreement do not rely upon any statement, representation or promise by the other party (or of any officer, agent, employee, representative or attorney for the other party).

(C) The persons signing this Agreement have the full right and authority to enter into this Agreement on behalf of the parties for whom they are signing.

(D) The parties hereto and their respective attorneys each agree not to disclose the contents of this executed Agreement. Nothing herein shall be construed to prevent any party hereto or his respective attorney from stating that this civil action has been settled in its entirety.

(E) The parties further agree to forbear and refrain from doing any act or exercising any right, whether existing now or in the future, which act or exercise is inconsistent with this Agreement.

19. Plaintiff has been fully advised by his counsel as to the contents of this document and each provision hereof. Plaintiff hereby authorizes and directs his counsel to dismiss with prejudice his claims now pending in the action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153.

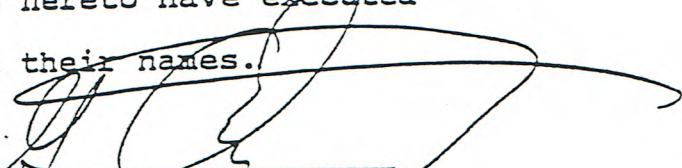
20. Notwithstanding the dismissal of the lawsuit pursuant to Paragraph 4 of this Agreement, the parties hereto agree that the Los Angeles Superior Court shall retain

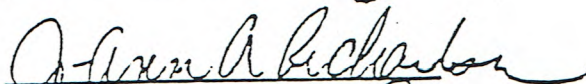
jurisdiction to enforce the terms of this Agreement. This Agreement may be enforced by any legal or equitable remedy, including but not limited to injunctive relief or declaratory judgment where appropriate. In the event any party to this Agreement institutes any action to preserve, to protect or to enforce any right or benefit created hereunder, the prevailing party in any such action shall be entitled to the costs of suit and reasonable attorney's fees.

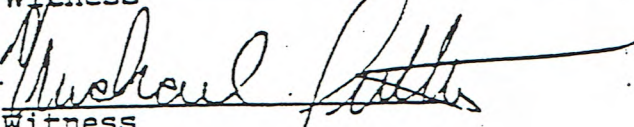
21. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

Dated: December 6, 1985

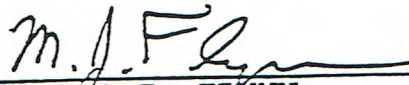

GERALD ARMSTRONG


Witness

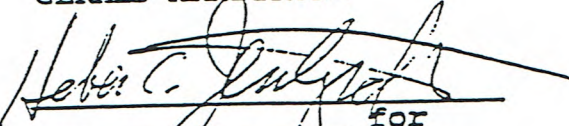

Witness

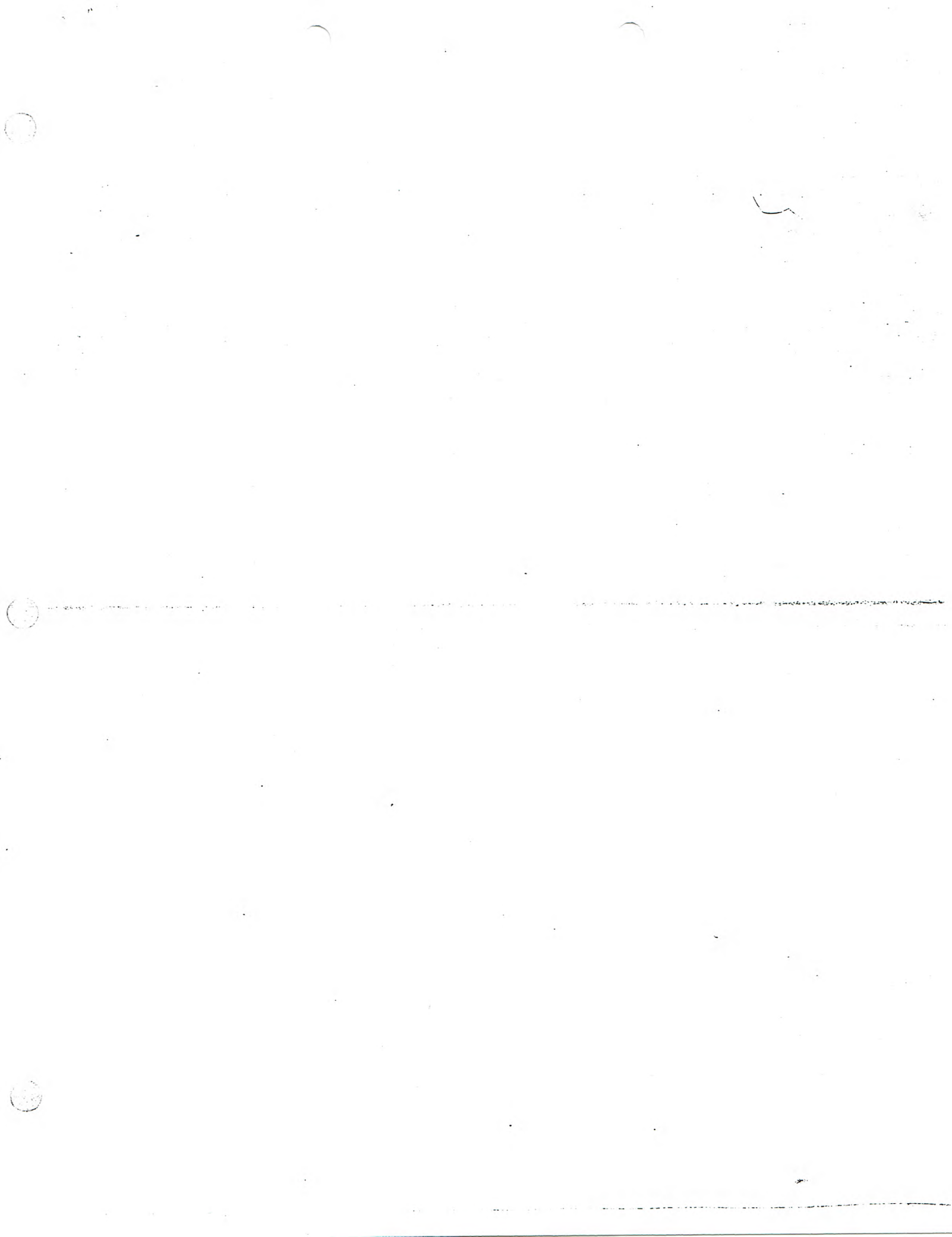
Dated: 12/6/86

APPROVED AS TO FORM AND CONTENT:


MICHAEL J. FLYNN
Attorney for
GERALD ARMSTRONG

Dated: December 11, 1986


for
CHURCH OF SCIENTOLOGY
INTERNATIONAL



1 ANDREW H. WILSON, ESQ.
LINDA M. FONG, ESQ.
2 WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
3 San Francisco, CA 94104
Telephone: (415) 391-3900

4 Attorneys for Plaintiffs

7 SUPERIOR COURT OF THE STATE OF CALIFORNIA
8 IN AND FOR THE COUNTY OF ALAMEDA

9 FLOYD KOCH, et al.,) Consolidated Case No.
10 Plaintiffs,) H-137685-6
11 v.) NOTICE OF TAKING
12 EDWARD HANKINS, et al.,) DEPOSITION
13 Defendants.)
14)
15)

16 TO: ALL PARTIES AND THEIR ATTORNEY OF RECORD:

17 PLEASE TAKE NOTICE that Plaintiffs FLOYD KOCH, et al. will take
18 the depositions of the following named persons, whose addresses are
19 known to their attorneys at the below listed dates and times at the
20 Law Offices of Wilson, Ryan & Campilongo, 235 Montgomery Street,
21 Suite 450, San Francisco, California. The depositions will be taken
22 before a duly qualified Court Reporter for the State of California.
23 Said depositions shall continue from day to day, excluding Sundays
24 and holidays, until completed.

25	<u>Deponent</u>	<u>Date</u>	<u>Time</u>
26	Glenn MacDonald		
27	Rodney Chew		
28	Linda Chew		

WILSON, RYAN & CAMPILONGO
235 Montgomery Street, Suite 450
San Francisco, California 94104

- 1 Audrey Hankins
- 2 Carla Patterson Allan
- 3 Terry Hankins
- 4 Kerdie Hawks Bates
- 5 Dean Hawks
- 6 Don Kimball
- 7 Montie S. Day
- 8 Richard Clews
- 9 Steve Kimball

10 Pursuant to Code of Civil Procedure §2025(d), Plaintiff's
11 request that each of the following corporate defendants produce the
12 officer or employee most qualified to testify on its behalf having
13 knowledge of_____.

- 14 Johnson, Hankins, MacDonald, Kimball & Co.
- 15 Rodlin Enterprises, Inc.
- 16 Carlon Enterprises, Inc.
- 17 Kean Financial Corporation
- 18 Buckingham Financial Corporation
- 19 Sentinel Financial Corporation
- 20 Citadel Financial Corporation

21 PLEASE TAKE FURTHER NOTICE that pursuant to Section 2025(h)(1)
22 of the California Code of Civil Procedure, deponents are to bring to
23 the deposition the writings and other tangible things listed on
24 Exhibit "A" which is attached hereto and incorporated herein.

25 DATED: _____, 1992.

WILSON, RYAN & CAMPILONGO

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27
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BY: _____
LINDA M. FONG
Attorneys for Plaintiffs

OFFICE OF SPECIAL AFFAIRS UNITED STATES

Teletcopy: (213) 662-6419

Date: 2/3/92

Time: 10:25 AM

Teletcopier Message

To: Andy Wilson

From: Howie Gutfeld

Re: CNN Headline News transcript

NUMBER OF PAGES (including cover page) 4

This message is intended only for the use of the individual or entity to which it is addressed, and may contain information that is privileged or confidential. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the above address via the U.S. Postal Service. Thank you.

HEADLINE NEWS

[SHOT: Studio setting]

NARRATOR: A former member of the Church of Scientology claims he has damaging information about the organization, but he's being silenced by a Court Order. Don Nab explains.

[CNN CAPTION: SCIENTOLOGY.]

[SHOT: Close up of Armstrong with Ford Greene behind him. Then a pan of the courtroom, with attorney Andy Wilson arguing and a shot of the Judge.]

Handwritten: Panchn
Don Nab: Gerald Armstrong says he knows a lot about the Church of Scientology and he's fighting in court for the chance to tell it. A former archivist of the organization he had first hand access to records of Scientology's controversial founder, L. Ron Hubbard.

[SHOT: Close up of Armstrong in an office. Don Nab narrating]

Gerald Armstrong: I'm an expert in the misrepresentations Hubbard has made about himself from the beginning of Dianetics until the day he died.

Don Nab: But that's about all that he can say legally. The Church of Scientology slapped Armstrong with a Court Order to prevent him from talking about what he may know.

[SHOT: Excerpt of Video tape of 1986 settlement signing.]

Carina (Church of Scientology attorney)

Heller: You are going to sign this of your own free will.

Armstrong: Yes.

[CNN caption: December 1986.]

Heller: OK. You're not suffering from any duress or coercion which is compelling you to sign this document.

[CNN CAPTION: Video provided by Anti-Scientology Attorney]

Armstrong: No.

Heller: Alright, ...

Don Nab: As part of the lawsuit settlement documented by Scientology on this video tape, the Church paid Armstrong \$800,000. In that settlement Armstrong agreed not talk about the Church, it's documents, or its founder.

[1ST SHOT: Wilson and Hertzberg sitting at counsel table.]

[2ND SHOT: Greene arguing at counsel table.]

Don Nab: Now, the Church of Scientology wants to block Armstrong from working with anti-Scientology attorney, Ford Greene.

Ford Greene: Gerald Armstrong possesses information about the Church of Scientology on first-hand basis that undercuts a lot of the claims that they make to the public on a daily basis in advertisements on TV and advertisements in newspapers.

[CNN CAPTION: Ford Greene, Anti-Scientology Attorney.]

[SHOT: Bartilson at counsel table with a stack of papers.]

Don Nab: Greene hired Armstrong as a paralegal, to help him with a lawsuit against Scientology in Los Angeles.

[SHOT: Wilson arguing at counsel table.]

Don Nab: Attorneys for the Church of Scientology claimed that Armstrong was breaking his settlement contract.

Andrew
Andy Wilson: \$800,000. \$800,000 was paid to that man. And now that he's spent the money, he comes into this court and he says, "I don't have to keep my part of the bargain."

[CNN CAPTION: Andrew Wilson, Scientology Attorney.]

Hon. Michael
[SHOT: Judge Dufficy at Bench.]

Don Nab: Scientology won this round. The gag on Armstrong remains, for now.

[SHOT: Close up of Armstrong at counsel table.]

Don Nab: Armstrong is not alone. 12 former Scientology members have accepted money to settle lawsuits with the Church.

[SHOT: Pleading^s packs₁ on counsel table.]

Don Nab: The settlements included^d promises to remain quiet and take no part in further litigation against the Church.

[SHOT: Greene in law office.]

Ford Greene: It'll be extremely damaging because Scientology has spent a whole ton of dough, on keeping not only Gerry silent but a lot of other people silent. And if Gerry's case unravels, it's the first domino, and all the rest of them are going to unravel ...

[SHOT: Green in law office with interviewer.]

Don Nab: Attorney Greene says, Armstrong's knowledge of Scientology can prove the Church is not what it says it is.

[SHOT: Outside of the Courtroom.] ~~Armstrong and Phippeny prominent.~~

Don Nab: Scientology says, Armstrong accepted a lot of money not to discuss the Church and should keep his word. Don Nab, CNN, San Raphael, California.

MARIN INDEPENDENT JOURNAL
MARCH 21, 1992

Marin judge orders Scientology suit moved

By Alex Neill

Independent Journal reporter

A San Anselmo man who says the Church of Scientology seeks to silence him on knowledge he gained as a high-placed church official won a legal skirmish against the church Friday.

After an hour-long hearing, Judge Michael Duffey of the Marin Superior Court ordered that the church's lawsuit against 45-year-old Gerald Armstrong, the former archivist and researcher for late Scientology leader L. Ron Hubbard, be transferred to Los Angeles Superior Court.

Church officials filed the lawsuit against Armstrong, alleging he violated terms of a settlement agree-

COURTWATCH

ment under which he was barred from discussing his experiences in the church.

For Armstrong, the lawsuit is a small part of the legal and personal complications that have dogged him since his split with the Church of Scientology 11 years ago.

Armstrong and his lawyer, Ford Greene, requested that the case be transferred to Los Angeles because that is where Armstrong in December 1986 settled for \$800,000 a complaint alleging that the Church of Scientology had engaged in fraud and infliction of emotional distress.

As part of the settlement, Armstrong agreed not to discuss his experiences with the church.

Armstrong's complaint was filed in response to a lawsuit filed by the church, accusing him of stealing thousands of pages of documents when he left his position as archivist and researcher.

Armstrong left the church and handed over to a lawyer copies of thousands of pages of materials he collected as biographer.

A Los Angeles Superior Court judge held that Armstrong was justified in doing so and ruled against the Church of Scientology. The decision was upheld last July by a state appeal court.

Armstrong said he initially abided

by the settlement provision that mandated he not speak about his experiences with the church but later learned that church officials were speaking about him in other legal proceedings.

"I believe I did not contract to be a punching bag, and I have a right to respond," Armstrong said Friday outside court.

The church's lawyers, however, contend that Armstrong has violated the agreement by assisting various lawyers in other lawsuits filed against the church.

"It's a provision to keep him out of the litigation business," said church lawyer Michael Hertzberg of the agreement he said Armstrong has violated.

circ: 50,000

Archivist

LEGAL AIDE (EA INT)

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